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SUMMARY RECORD OF THE 18th MEETING

Held at Headquarters, New York, on Tuesday, 8 June 1993, at 10 a.m.

President:

Mr. HADID

(Algeria)

#### CONTENTS

Annual report of the Administrator for 1992 and programme-level activities (<u>continued</u>)

(a) Environment and development (continued)

- (c) Women in development (<u>continued</u>))
- (d) Regional economic integration (<u>continued</u>)

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# CONTENTS (continued)

- (e) Non-governmental and grass-roots organizations (continued)
- (f) Management Development Programme (<u>continued</u>)

## The meeting was called to order at 10.10 a.m.

ANNUAL REPORT OF THE ADMINISTRATOR FOR 1992 AND PROGRAMME-LEVEL ACTIVITIES (<u>continued</u>) (DP/1993/10 and Add.1-5)

(a) ENVIRONMENT AND DEVELOPMENT (continued) (DP/1993/11)

(c) WOMEN IN DEVELOPMENT (continued) (DP/1993/13)

(d) REGIONAL ECONOMIC INTEGRATION (continued) (DP/1993/14)

(e) NON-GOVERNMENTAL AND GRASS-ROOTS ORGANIZATIONS (continued) (DP/1993/15)

(f) MANAGEMENT DEVELOPMENT PROGRAMME (continued) (DP/1993/16)

1. <u>Mr. BORJA DE MOZOTA</u> (France) said that the principal role of UNDP continued to be that of an organ for financing technical cooperation and an essential instrument of coordination. Its identity should therefore be preserved in the current restructuring exercise, especially since its undeniable comparative advantages of extensive field representation and an integrated and multidisciplinary approach to economic cooperation made it particularly well suited to channelling resources to more than 100 developing countries and executing many thousands of projects. The role of UNDP was unique in that, unlike other multilateral and bilateral institutions, it permitted all States concerned to participate more directly in the definition of their needs and objectives. It also had the capacity to take operational risks in the most diverse regions, including the most disadvantaged. Such a vital institution should therefore be retained within the United Nations system in order to pursue multisectoral cooperation covering the various aspects of technical assistance.

2. In view of the need to concentrate scarce resources on priority projects in certain geographic areas, the least developed countries had rightly been the focus of attention from UNDP, with over 60 per cent of available funds allocated to them in the current programming cycle. That trend should be further consolidated with the re-focusing of the mandate of UNDP on strengthening national capacities and developing human resources, particularly in the least developed, low-income and newly independent countries.

3. Current criteria for resource allocation should serve to channel the efforts of UNDP into those countries, especially the least developed countries of Africa, that were outside the framework of regional economic integration groupings. Despite the current reorganization, therefore, UNDP should maintain the human and financial resources necessary to implement its policy in favour of the least developed countries.

4. States Members of the Organization were unanimously agreed on the need for greater coherence in the development activities of the United Nations. Such coherence required the definition of a single country strategy for United Nations agencies, leading to the adoption of a single programme for each country, and the coordination of development activities in the field by a single United Nations representative, supported by a network of field staff.

#### (<u>Mr. Borja de Mozota, France</u>)

5. Only UNDP was currently in a position to fulfil those two requirements even though it might not be able to assume direct responsibility for the coordination of all operational activities. Such a decision must be made by the Economic and Social Council, which alone could define the general orientations of United Nations development policies and impose them, not only on funds and programmes but also on the specialized agencies. Any new coordinating mechanism must, however, rely on the experience and human resources of UNDP, which was likely to provide most of the United Nations resident coordinators, at least in the early stages.

6. Some countries had expressed reservations about strengthening coordination through UNDP on the grounds that it could violate the national sovereignty of the receiving State. It should thus be made very clear that national authorities had sole responsibility for a country's economic and social development strategy and that the resident coordinator's role was to assist the Government of the host country in defining the programme of cooperation with the United Nations by drawing attention to the possible incompatibility between the interventions of different international institutions, both within the United Nations system and outside. It should also be pointed out that UNDP could only play its role by becoming the spokesman of choice in the receiving country for the United Nations system as a whole. That meant that UNDP should have the necessary authority <u>vis-à-vis</u> the representatives of other United Nations institutions and, consequently, that its mandate should be strengthened in that respect.

7. UNDP should limit its activities to its particular field of expertise, which was the strengthening of national capacities and the development of human resources. Its current activities in those areas should be the focus of not only UNDP programmes but also United Nations programmes, with UNDP serving as the main provider of services and centralizing the information required by the receiving States. At the same time, UNDP should continue to promote national execution and to participate actively in the search for a common interpretation of that concept, as called for in General Assembly resolution 47/199.

8. The two key approaches to strengthening national capacities must be the pursuit of human development and lasting development. Human development was a new concept in the study of the evolution of economic development and its integration into national planning could not be achieved if UNDP did not first gain the confidence of Governments within a framework of respect for their objectives and constraints.

9. Agenda 21 had assigned a vital role to UNDP in the coordination of United Nations efforts to strengthen national capacities in the area of sustainable development. As a close collaborator with the United Nations Environment Fund, UNDP was strategically placed to design projects of global scope. Moreover, with Capacity 21 it had available a useful instrument for limiting the dispersion of the resources of donors among the many institutions that were concerned with Agenda 21. That instrument should be placed in the service of the policy to be defined by the Commission on Sustainable Development and would also permit resources to be channelled to the competent funds, programmes and executing agencies.

## (<u>Mr. Borja de Mozota, France</u>)

10. In closing, he acknowledged the signal role of the outgoing Administrator of UNDP, Mr. William Draper, in setting for the Programme the clear objective of development with a human face.

11. <u>Mr. LINCOLN</u> (World Meteorological Organization (WMO)) said that regional cooperation was especially cost-effective between States with similar weather or climate characteristics. Regional activities should include regional centres to assist with weather analysis and forecasting, capacity-building activities, and climate monitoring, prediction and research. Such centres would strengthen the activities of the national meteorological and hydrological services of developing countries and should be included in national and regional development plans.

12. Following the United Nations Conference on Environment and Development (UNCED), it had become evident that a concerted effort was needed to meet the social, economic and political needs in order to move aggressively in coordinating efforts in climate prediction. The development of capabilities for climate prediction, including the infrastructure to support operational activities, must begin immediately in a coordinated and coherent programme. His organization already had the capacity to take the lead in developing a systematic and coordinated programme in that field. WMO and the national meteorological and hydrological services also had expertise in such areas as climate-system monitoring, climate diagnostics and climate-change detection. It was important for WMO and those services to be involved in the development of active programmes in such areas in order to contribute to sustainable development and the implementation of Agenda 21 as well as the ongoing discussion on the issue of climate change.

13. <u>Mr. TALADRID-SUAREZ</u> (Cuba) said that for some months donors had been asserting that UNDP could be made more effective by reducing the membership of the Governing Council. That assertion, however, had never been proved in theory or in practice throughout all the months of meetings on the question. It was clear that there was an attempt to impose on the most universal programme in the United Nations system a management mechanism that would eliminate the basic principles and objectives of UNDP: universality, neutrality, support for thirdworld development and voluntarism. The existence of the Programme itself was at stake.

14. His delegation was firmly opposed to such measures which would impair the democratic nature and transparency of the Council's work and inevitably lead to a deadlock. As the Administrator had pointed out, UNDP should never lose the support of the developing countries, which was based on the Programme's multinational makeup and the full participation of those countries in administering UNDP. Nor should the Council allow itself to be led blindly by the donors. His delegation categorically rejected the proposal to reduce the membership of the Council because the Programme could not be managed by a small group of Member States, however powerful some of them might be. Lastly, he expressed satisfaction with the work being carried out by the United Nations Volunteers and confirmed Cuba's decision to increase further its cooperation with that organization.

15. <u>Mr. MUSHAYAKARARA</u> (Zimbabwe) said that external cooperation should be based on national goals and priorities and should be used to fill the resource gap. Development assistance must be responsive and relevant to developing countries' needs and goals. The whole issue of development cooperation should be based on the premise that priorities were country-specific. National capacity-building was a prerequisite for long-term development and sustainability and required technical assistance.

16. Coordination was central to cooperation between donor and recipient countries with regard to both resource mobilization and policy review in order to avoid duplication of effort and enhance accountability. The importance of improved coordination and cooperation among participating agencies within the overall framework of Government institutional structures must be stressed. Zimbabwe's third country programme combined both the programme approach and national execution as modalities for implementation. National execution was a flexible method of implementation and fostered a sense of ownership of the Programme and its long-term sustainability.

17. One of the greatest challenges emerging from the agreements reached at the Rio Conference, particularly Agenda 21, was the task of reconciling the ever-growing needs of mankind and the impact of those needs on the environment. Agenda 21 was the centre-piece of international cooperation and coordination in the quest for sustainable development. Accordingly, he commended UNDP for launching Capacity 21 and the donors that had contributed to it.

18. As a follow-up to UNCED and with the support of UNDP, his Government had held a national conference in November 1992, which had brought together many sectors of the populations to establish priorities for sustainable development in Zimbabwe and identify strategies and actions to be implemented at the national level within the framework of Agenda 21. Zimbabwe was currently engaged in a dialogue with bilateral donors to secure additional resources and other forms of assistance for implementing various priority activities. While the option of cost-sharing was all the more pertinent at a time of restricted resources, multilateral coordination and cooperation should take place at the operational level, not at the policy level. UNDP and the other multilateral organizations should maintain their distinct mandates and avoid duplication as much as possible.

19. His delegation noted with appreciation the role played by the Programme in countries that were undergoing unprecedented political, economic and social transformations. In Africa, a number of countries had been assisted by the Programme in their electoral reforms. The impartial role played by UNDP was a catalyst for the smooth transfer of power and political stability. Zimbabwe urged the Programme to continue its efforts in the field of electoral assistance and trusted that that would be done with the express consent of the countries concerned. Since 1990, his Government had put renewed emphasis on the role of the private sector for building capacity and enhancing competitiveness. The Zimbabwean economic reform programme was intended to bring about a market-oriented economy where market forces determined resource allocation. An extensive range of incentives had been introduced and reforms relating to trade liberalization, income, prices and labour laws had been instituted.

## (<u>Mr. Mushayakarara, Zimbabwe</u>)

20. While the private sector was a major engine of growth, it could function effectively only within the framework of an efficient public sector. The economic reform programme therefore aimed to create conditions promoting greater participation by the private sector in the economic development of the country with the most effective use of resources. The participation of the majority of the population was essential to achieve sustainable economic growth. Accordingly, his Government was actively pursuing policies aimed at localizing ownership of some key enterprises. The role played by UNDP in the field of relief and rehabilitation was most welcome. He hoped that the Department of Humanitarian Affairs, in conjunction with other United Nations agencies, would continue to mobilize financial and material resources and speedily facilitate their delivery to those who needed them most. His delegation expressed satisfaction with the work being done by the United Nations Volunteers in Zimbabwe, which had been very successful in the area of rural development and was targeted mostly at vulnerable groups.

21. His Government regarded the AIDS pandemic as a major social and economic problem with adverse implications for development. It had therefore set up the institutional machinery to coordinate all initiatives to combat the scourge and, in that connection, welcomed the supportive role played by the international community. National efforts included an AIDS awareness campaign, and rehabilitating, counselling and improving the health habits of those affected. His Government was grateful to UNICEF and to the many other organizations and individuals who had provided advisory services and financial and material resources.

22. Zimbabwe had noted with great concern the continual decline, in real terms, of official development assistance at a time of growing demand in the recipient countries. It was also troubled by the large reduction in the overall contributions to the core budget of UNDP, a situation which had jeopardized the ability of UNDP to meet its targeted level of resources for planned and ongoing programmes. He wished to appealed to donor Governments to make every effort to ensure that the growth targets for contributions established for the fifth programming cycle were met.

23. Africa was mired in a critical economic situation. The United Nations Programme of Action for African Economic Recovery and Development (UNPAAERD), 1986-1990, had been meant to put Africa on the path to economic recovery and sustained growth. At its final review and appraisal in 1991, however, it was evident that the continent's economic crisis had deepened and that a great deal had to be done by both the Africans themselves and the rest of the international community.

24. The adoption in 1991 of the United Nations New Agenda for the Development of Africa in the 1990s was a renewal by the international community and the African countries of their commitment to an agenda of cooperation for sustainable social and economic development in the continent. Many African countries had embarked on an unprecedented path of democratization and popular participation while others were undertaking painful but courageous economic reform programmes to create an enabling environment for investment and

#### (<u>Mr. Mushayakarara, Zimbabwe</u>)

sustainable human development. Such reforms weighed heavily on national budgets and failure to fulfil their goals and objectives could well lead to social upheavals and economic breakdown.

25. The debt problem that beset most of the countries in sub-Saharan Africa constituted a further obstacle to change and efforts at economic reform were doomed to failure if a permanent solution to the debt problem was not found.

26. The New Agenda had to be supported in a tangible manner by increasing resource flows in the form of official development assistance, foreign direct investment, debt relief and increased external assistance. Africa had the will and economic potential to succeed and, given its generally weak economic base, particularly its physical infrastructure and human resource development, it deserved the special attention of the international community. The developed countries, in particular, should open up their markets to the continent's commodities.

27. His delegation welcomed the commitment of UNDP to continued support for capacity-building, which was essential for the achievement of economic growth and long-term sustainable development. The African Capacity-building Initiative, however, had taken off to a slow start and UNDP and other sponsors should expedite the development and implementation of the tangible objectives of the initiative. Zimbabwe believed that the expressions of goodwill and constructive criticism from the developed countries must be accompanied by concrete action if the developing countries were to surmount the challenges which they faced. He hoped that the donor countries would reappraise their development assistance with a view to fully addressing those challenges.

28. <u>Mr. LUEDIG</u> (Observer for Estonia) said that, at the current session of the Governing Council, his delegation would focus on the development of a useful working relationship with UNDP. Estonia welcomed the formal establishment of a UNDP presence. The concerns that it faced were real and not defined by the country's geographic situation but rather by the needs of individuals.

29. His country's economy was undergoing an unprecedented transition from a centrally planned to a market economy and the great challenge was how to manage that change. In that connection, Estonia looked forward to the cooperation of UNDP as a partner in the process of learning. Expertise was needed to ensure the proper functioning of the political, economic and administrative systems already in place. Policy, structural and institutional changes were taking place in Estonia, sometimes without a clear understanding of the values and long-term consequences inherent in some of the choices being made. Aid and technical cooperation and the articulation and implementation of programmes and projects to build capacities for local and national execution were critically needed to ensure that potentially disastrous choices were avoided.

30. Estonia looked forward to the joint development and eventual local execution of a number of programmes and specific projects which were being discussed with UNDP and other United Nations agencies. At a time when it was trying to shake off the deadening inertia of self-serving individual and political activities, the presence of a UNDP resident representative was yet

## (<u>Mr. Luedig, Observer, Estonia</u>)

another sign that Estonia's forced isolation had ended. The discussions between Estonia and UNDP had focused on the latter's comparative advantages in Estonia.

31. The limited financial resources available to UNDP and other agencies meant that greater creativity was needed in the development and management of programmes, projects and money. Estonia would welcome innovative approaches that were measured in terms of results. Despite the economic difficulties facing the country, the Government had allocated funds to support the UNDP presence there. When programming began and projects were implemented, national contributions and new financial mechanisms would be assessed. In the meantime, sufficient funding for projects was already an integral part of the joint planning process.

32. Estonia did not foresee the need for an open-ended UNDP presence. It hoped that the UNDP legacy there would be a systemic approach to sustainable development and looked forward to the establishment of mechanisms that would embody the values of sustainable development. The peaceful transformation process under way in Estonia was threatened by the presence of foreign troops and unfounded accusations of human rights abuses. With nurturing now, rather than later, by organizations like UNDP, Estonia would rebuild independent institutions and implement procedures that would permit the quick healing of its economy and social structure and their reintegration into the international mainstream.

33. His delegation hoped that the Governing Council would give a clear mandate of support for all the central and eastern European resident representatives and would dispel the uncertainty over whether central and eastern European countries were to be dealt with as unequal or unwelcome members of UNDP. Estonia held to the ideal of universality.

34. In closing, he thanked the outgoing Administrator, Mr. William Draper whose work on behalf of UNDP permitted Estonia to face the future with a sense of optimism.

35. <u>Mr. ISAKOV</u> (Russian Federation) commended the activities carried out by the Programme over the past year and agreed with the views set forth in the annual report of the Administrator concerning future activities. At the current time, Russia was consistently carrying out complex and difficult economic reforms aimed at harnessing the great potential of the country's human and material resources. The results of the referendum held in April demonstrated that in spite of all the difficulties, the majority of the population supported the reforms being undertaken. At the current time, the radical reform course was focusing on intensive privatization, which already encompassed most small and medium-sized enterprises and was increasingly being introduced in large-scale ones. Accordingly, Russia was taking a decisive step towards an open economy and a democratic society.

36. Like other recipient countries, Russia hoped to avail itself of the necessary technical assistance in priority fields, particularly those related to the establishment and improvement of a market-economy infrastructure, privatization and support for small and medium-sized businesses, social protection measures, management training and enhanced functioning of the State

### (Mr. Isakov, Russian Federation)

apparatus at all levels. His country was particularly interested in utilizing the Programme's experience in attracting foreign investment. The current situation in that regard in Russia was unsatisfactory and his Government was making a major effort to bring about economic and political stability to encourage such investment.

37. The forthcoming conclusion of an agreement on the establishment of an integrated United Nations office in Moscow and an agreement on UNDP technical assistance to Russia were of exceptional importance in order to expand cooperation between his country and the Programme. In view of Russia's extremely small IPF, he stressed the need to make use of the most effective modalities, including the so-called multiplication effect. Involvement on the part of UNDP, together with other organizations and the Department of Humanitarian Affairs, in the execution of the UNESCO-Chernobyl project would serve as a good example of an integrated approach to providing assistance to Russia and the other CIS countries. Russia intended to continue to provide technical assistance through the Programme to developing countries within the framework of available resources. Russian organizations were prepared to play a more active role as contractors in executing UNDP projects. Lastly, his delegation shared the regret expressed by the Administrator concerning the reduction in contributions to the UNDP budget in 1993 and fully supported his call for increased financing, inter alia, through the financial rationalization of activities and stepped up efforts to attract additional funds.

38. <u>Mr. MATHIESEN</u> (Norway) said that the new political situation after the end of the cold war had created new opportunities for reassessment of socio-economic development. The diminution of ideological conflicts was likely to lead to greater emphasis on the underlying causes of most political conflicts, namely, the lack of social justice and opportunities for ordinary people to participate in the development process. Peaceful, sustainable and democratic development in the world could only be achieved by solving the problem of poverty.

39. Norwegian development cooperation had always been directed towards the poorest sectors of the population of the developing countries. However, the widening gap between the countries of the North and South had led to a certain aid fatigue. There was therefore an increased need for a more cost-effective and target-oriented approach to publicly-funded technical cooperation.

40. The basis for Norwegian support to UNDP over the years had been the position of UNDP as the central funding and coordination body for operational activities within the United Nations system. The Programme, however, had never been given the resources it required to adequately play that role within the United Nations system. Increasingly, resources were being channelled directly to the specialized agencies and to other United Nations funds and programmes. More resources were also being mobilized for short-term emergency and refugee-related assistance.

41. Multilateral agencies had not focused properly on the major development policy issues and UNDP should therefore make better use of its comparative advantages by moving away from the administration of numerous small development projects and focusing instead on capacity-building in central policy areas.

#### (<u>Mr. Mathiesen, Norway</u>)

42. One of the comparative advantages of UNDP was the multisectoral nature of its technical cooperation and its holistic approach to development issues. The Programme should therefore formulate a clearer vision of main development issues and a clearer strategy for its own role as provider of technical assistance. In addition, its field network gave UNDP a central role in United Nations cooperation activities and a presence at the country level.

43. On the subject of coordination, the current political situation underlined the need for a coordinated approach by the United Nations, an area in which UNDP could play a central role, provided that role was given more substance and the task more clearly defined. UNDP resident representatives, in their capacity as United Nations resident representative coordinators, must be given clear authority for the execution of their task and greater resources in terms of personnel and finance. Norway supported the proposal by UNDP to undertake a study of the Programme's coordinating role at the field level. That role would also be influenced by the final outcome of the process of reform of the Organization and by the follow-up to the 1993 triennial review of United Nations operational activities.

44. As for funding, UNDP was facing severe financial constraints and there was an obvious need for more burden sharing and more stable resources for its work.

45. Many positive changes had taken place in recent years which would strengthen the development profile of UNDP. The country programmes for the fifth cycle had demonstrated an increased concentration of UNDP resources in areas in which UNDP had a comparative advantage. That strategic approach to development activities should be further refined and more emphasis placed on evaluation and on the development of procedures for more systematic feedback of the results of past experiences. In addition, the personnel policies of UNDP should reflect the changing character of its operations. Recruitment should be based more on substantive development experience and greater opportunities for staff training and refresher courses should be provided.

46. The Programme's annual <u>Human Development Report</u> and its book on rethinking technical cooperation in Africa had given it a more central role in the development debate. Norway supported those initiatives and hoped that UNDP would continue to provide analytical contributions to the international development debate.

47. National capacity-building was one of the key elements in the future role of UNDP. Further discussion was needed, however, on which specific areas of national capacity-building attention should be focused. Poverty alleviation and sustainable human development were broad thematic areas in which the future strategies of UNDP could be more clearly defined, with special attention being paid to support for democratization processes and the creation of opportunities for broader popular participation. Special measures should also be taken to ensure that women's concerns were adequately reflected.

48. On the subject of allocation of financial resources, Norway considered that the grant funding being made available through UNDP should be concentrated mainly on the poorest countries. The current IPF system needed to be reviewed and new mechanisms for resource allocation were required to ensure greater

#### (Mr. Mathiesen, Norway)

flexibility and increased possibilities for UNDP to respond more adequately to the needs of the developing countries, and especially those of sub-Saharan Africa.

49. He concluded by expressing his Government's deep appreciation to the outgoing Administrator, Mr. William Draper, for his invaluable contribution to UNDP during his term of office.

50. <u>Mr. PEERTHUM</u> (Mauritius) paid tribute to the outgoing Administrator during whose tenure UNDP had gained renewed dynamism and an innovative spirit, which placed it at the forefront of current efforts in pursuit of global development. The importance that Mauritius attached to its cooperation with UNDP was reflected in its latest national development plan, which addressed several of the issues related to the implementation of Agenda 21. UNDP had an important role to play at the country level in the follow-up to the United Nations Conference on Environment and Development and the Capacity 21 initiative was a useful step in that direction, particularly at a time when programme operations were likely to be affected by insufficient resources. In that connection, it was time to explore the possibility of tapping private resources.

51. He drew attention to the active role being played by a number of small-island States, under the aegis of the Alliance of Small-Island States (AOSIS), in the preparation for the global conference for the sustainable development of small-island States, to be held in Barbados in 1994. That Conference would present the first real opportunity to translate into action the recommendations of Agenda 21 and his delegation was heartened by the response and participation of United Nations agencies in its preparatory process. UNDP, with its blend of expertise and global connections, was expected to be closely involved in the follow-up phase.

52. The current planning for Mauritius under the fifth programming cycle was also illustrative of the catalytic importance of a relatively small programme which succeeded in mobilizing resources and financial support in strategic areas and in contributing, through a flexible approach, to capacity-building for sustainable development by initiating a comprehensive programme of action in such areas as human resource development, education and the environment.

53. Mauritius had reached a critical stage in its development in which policies were needed to enhance the environmental and social impact of economic growth. Given the limits for growth of a small island and its fragile ecosystem, improvements in productivity and the quality of human capital, particularly in the case of women, were essential to Mauritius' future in an increasingly uncertain international economic environment.

54. In addition to human resources development, the Government was investigating other avenues for cooperation with UNDP, such as long-term planning, and policy formulation and analysis. One example of the long-term perspective the Government had taken was a proposal for subregional economic integration in southern and Eastern Africa which the Government was exploring. He looked forward to further cooperation with UNDP as the integration plan moved forward in the years to come. 55. <u>Mr. RUKIKAIRE</u> (Uganda) praised the outgoing UNDP Administrator for taking a people-oriented approach to development during his seven-year tenure. As the <u>Human Development Report</u> had noted, development was a process that started and ended with people and not with States.

56. He expressed disappointment in the Council's decision to reduce the fifth cycle IPF for Uganda by 25 per cent in comparison with the fourth-cycle level. That level of financing would not be sufficient for Uganda to meet its development targets. Moreover, the reduction could adversely affect UNDP's role in assisting countries like Uganda in programme implementation, since it affected the national capacity to absorb and retain newly transferred skills, technology and infrastructure that were essential for other kinds of external cooperation. He appealed to his country's development partners to increase their contributions in order to prevent Uganda from falling short of its goals.

57. He thanked the Assistant Administrator and Director of the Regional Bureau for Africa for her detailed report on the economic situation in Africa. In particular, he supported her appeal to the donor countries and to the United Nations system for increased financial support at a critical stage in Africa's economic and social transformation.

58. Notable progress was being made in the transition from centrally planned economies in Africa. What the continent needed at the moment were investment incentives of the kind being offered to other reforming countries in Eastern Europe and the former Soviet Union. Africa would not be able to grow without major investments in human resources and institutional capacity-building of the kind provided by the United Nations Capital Development Fund (UNCDF). The small-scale capital assistance grant programme of UNCDF was a unique provider of resources for poverty reduction in the poorest countries. However, contributions to UNCDF had declined dramatically in recent years. Moreover, support was needed for efforts in regional integration through the regional economic organizations. UNDP had a historic responsibility to come to Africa's aid in that regard as well. Lastly, he commended Japan on its decision to host a conference on development questions pertaining to Africa in October of 1993.

59. As for the transition to a programme approach in country programmes, Uganda had incorporated, on a trial basis, the guiding principles described in the Programme Support Document (PSD). An evaluation of the effectiveness of the principles would be available for the next meeting of the Council. If the principles were found to be successful it should be possible to apply them to more countries. In addition, Uganda welcomed the establishment of the Office of Budget and Management (OBM) in UNDP. However, he believed that OBM should be subject to periodic evaluation in order to assess its performance.

60. With respect to the question of national execution, he said that the UNDP estimate of nationally executed projects in Africa was 11.5 per cent. Uganda considered that figure to be too low in view of the capacity of many institutions in Africa to promote national execution. UNDP field offices should work closely with Governments to promote that particular method of programme delivery.

61. Uganda supported the Capacity 21 initiative to integrate environmental concerns into all programmes and to enhance sustainable development. He agreed

#### (Mr. Rukikaire, Uganda)

with other members that resources for the initiative should be allocated through Special Programme Resources (SPRs). Moreover, since the cut in indicative planning figure (IPF) resources would have its most adverse impact on least-development countries (LDCs), the distribution of resources to Africa under the initiative should be increased to 48 per cent. Furthermore, the evaluation of Capacity 21 should take place at the end of 1994 instead of the first quarter of 1995, in order to give countries implementing it an opportunity to identify strengths in their implementation of Agenda 21 programmes and to design solutions to any weaknesses that would be found. Sharing information on the implementation of Agenda 21 would be a critical role; therefore UNDP field offices should work in close contact with Governments to that end.

62. With respect to programmes to fight HIV/AIDS, most countries, especially the LDCs, had recognized the development implications to the matter and therefore, they supported the development of a multisectoral programme to combat the disease. He was reassured to learn that UNDP was aware of those implications and was willing to work closely with Governments in drawing up and implementing such a programme. In that connection, UNDP should work closely with the World Health Organization/Global Programme (WHO/GPA) in order to address both the public health and socio-economic consequences of the disease. His delegation supported the proposal to strengthen the office of Resident Coordinator by adding local support personnel to integrate the AIDS question into all aspects of development assistance.

63. Lastly, he urged UNDP to strengthen its support for non-governmental organizations particularly indigenous NGOs. He was gratified that there had been discussion in 1992 concerning the needs and priorities of NGOs with respect to collaboration with UNDP on implementation of Agenda 21 and he looked forward to further NGO involvement in capacity-building activities in that connection.

64. <u>Mr. POST</u> (Netherlands) said that it was clear that UNDP was going through a difficult period of transition in which uncertainty prevailed with respect to the role, function and position of the Programme within a restructured United Nations system.

65. After a brief review of the budgetary and institutional challenges faced by UNDP, he identified a series of restructuring steps which UNDP could consider in order to make it a more effective organization. These steps included: greater emphasis on IPF allocations to lower-income countries; thematically-organized assistance programmes; and improved field-level support.

66. With regard to specific themes mentioned in the report of the Administrator (DP/1993/11), UNDP appeared to have made progress in carrying out the mandate of Agenda 21, particularly with regard to capacity-building. In his opinion field offices played an essential role in integrating and facilitating capacity-building in country programmes. Further in that connection, he welcomed the cooperative working relationship between the World Bank and the United Nations Environment Programme (UNEP) in implementing the Capacity 21 initiative. For its part, the Netherlands was evaluating the initiatives at a very high level and a decision regarding it was expected in the near future.

### (<u>Mr. Post, Netherlands</u>)

67. He supported the conclusions in the Administrator's report (DP/1993/15) on the need for UNDP to do more to promote participation by NGOs and grass-roots organizations in development projects at the country level. In particular, UNDP should do its utmost to enable NGOs to participate in national consultation processes.

68. He agreed with the conclusion of the report of the Administrator (DP/1993/16) on the Management Development Programme (MDP) and the need for greater private sector involvement in the development process at the country level. Greater involvement of the private sector would require a new type of government official able to collaborate effectively with partners in the private sector. The Management Development Programme would play an important part in raising the institutional and organizational capacity at all levels of government in order to manage the execution of economic and budgetary reforms.

69. <u>Mr. DIAZ</u> (Observer for Venezuela), speaking also on behalf of the delegations of Argentina and Uruguay, said that regional integration among developing countries was of particular importance to his region, which had been implementing various initiatives in economic integration that had contributed to its development. Those integration processes were promoting a more efficient insertion of Latin American economies into the international economic system based on the comparative advantages of their countries and offering new opportunities for overall growth. UNDP played an important role in supporting those initiatives.

70. The United Nations Conference on Environment and Development had assigned an important role to UNDP in assisting developing countries to implement Agenda 21. The main challenge of Agenda 21 was the integration of environmental variables which required the institutions of developing countries to make a quantum leap. Capacity 21 was an effective programme method for boosting national technical capacity in support of sustainable development. It was also one of the few means of providing new and additional resources to developing countries to implement Agenda 21. For that reason, it must be carried out at the global level in order to enable all developing countries to benefit from it and it must be adequately financed.

71. <u>Mr. BAHADIN</u> (Brazil) said that sustainable development appeared to be the central theme of UNDP's general mandate in the post-cold war world; however, that new role should in no way be interpreted as a limitation upon the Programme's traditional role in development cooperation. Indeed, the broad experience of UNDP in multisectoral development cooperation was one of the Programme's comparative advantages over other agencies within the United Nations development system.

72. Brazil was concerned that the Administrator's report (DP/1993/10) had given too much attention to considerations concerning electoral assistance, consultations with Governments and human rights in recipient countries. While his Government thoroughly supported the activities of UNDP in those areas, he was troubled by the suggestion that those considerations could be taken as conditions for receiving other kinds of development assistance from UNDP.

#### (<u>Mr. Bahadin, Brazil</u>)

73. Brazil was also concerned that the Administrator had failed to distinguish between bilateral and multilateral sources of development assistance in his discussion of management questions and the rights of donors. While States did have a right to expect high-quality management and effective use of their resources in the context of bilateral aid, in the case of multilateral aid managers were responsible to the entire membership of the Organization, not just the donor countries.

74. The Administrator had noted rightly, in paragraph 2 of his report, that external development assistance had been freed from political constraints in the wake of the cold war. However, if the proposition set out in paragraph 14 regarding the connection between development and security was taken to its logical extreme, it would imply that there was a role for development assistance in the search for peace and security.

75. Brazil shared the concerns of some members regarding the reductions in contributions to UNDP. While he understood the constraints faced by many States in that respect, reductions in contributions were occurring at a time when the Organization was making a concerted effort to improve the governance and financial administration of its operational activities. Moreover, he was concerned that cost sharing was becoming a major source of funding for those activities; additional increases in cost-sharing funds could require further revisions in the structures of governance.

76. <u>Mr. DANA</u> (Gambia) reviewed the role and performance of UNDP as a catalyst for sustainable development in a period of unprecedented scarcity of human, material and financial resources.

77. The Gambia supported the recent shift from project-oriented to programme approaches in the provision of technical assistance. A programme approach made it possible to increase support for national programmes in such areas as poverty alleviation, health care, environmental protection, human development and economic and political reform.

78. Gambia's fifth country programme emphasized national execution and a participatory approach to development. The programme incorporated a capacity-building component for economic management, as well as an environmental action and an HIV/AIDS programme. In addition a poverty alleviation programme (PAP) was being prepared for submission to international development partners in the second half of 1993. On the basis of his country's experience with PAP he recommended expansion of that programme to other LDCs.

79. He recognized that there were limitations and difficulties inherent in national execution. While the burden to implement programmes fell to national Governments, there were no clear guidelines from UNDP regarding how to accomplish that task. UNDP should make every effort to improve its efficiency at the national level in order to provide more effective guidelines. It was especially important for UNDP to establish a relationship with the Bretton Woods institutions, particularly the World Bank. A mechanism should be created to enable those two development partners to collaborate effectively in the

(Mr. Dana, Gambia)

formulation and implementation of programmes. The consequences of any failure to cooperate effectively would be borne by the LDCs.

80. Recent trends in funding and contributions to UNDP core activities were worrisome with regard to the success of the fifth programming cycle. The substantial reduction on a percentage basis of the allocation to the Regional Bureau for Africa for the fifth cycle would have an effect on the implementation of some essential programmes. Although increasing UNDP resources remained a vital priority, the Gambia believed that activities peripheral to the core concerns of UNDP (including, <u>inter alia</u>, poverty alleviation, capacity-building and human resource development) should be handled by other specialized agencies.

81. <u>Mr. AWOONOR</u> (Ghana) said that the annual report's focus on human development, capacity-building in the area of environment and leadership in managing technical cooperation eloquently expressed the important role which UNDP continued to play in the area of development.

82. The environment for technical cooperation had continued to change rapidly with a great adverse impact on developing countries especially on Africa which was undergoing radical political changes and experiencing a very serious economic downturn. Unfortunately, political advancement on the continent had not been matched by economic development. Africa's share of world trade had fallen from 3 per cent in 1960 to under 1 per cent in 1992 while the continent's economies were still reeling under a staggering debt of \$280 billion at the end of 1992.

83. Africa's economic problems required a concerted action by African Governments as well as the international community, and in that regard his delegation noted with appreciation that, in the face of dwindling resources earmarked for the fifth cycle programme, UNDP was making every effort to ensure that programmes already started were not abandoned or scaled down in a way that would affect their contribution to national development efforts.

84. While the UNDP programme approach in the formulation and implementation of technical assistance coincided with the aspirations of developing countries, UNDP must consult with Governments to produce a new design for monitoring and evaluating those programmes and ensuring that they were consistent with and properly integrated into national programmes, otherwise UNDP technical assistance programmes might fail to match larger Government programmes. In the crucial area of capacity-building, indigenous national expertise and entrepreneurship should be given serious consideration otherwise the developing countries would never attain the desired level of development capacity if their local entrepreneurs, engineers and industries were denied access to development programmes designed through the instrumentality of UNDP.

85. His delegation also welcomed the Programme's new policy on decentralization of decisions to the field level which would, <u>inter alia</u>, ensure more dialogue with Governments and see to it that the people benefited from UNDP activities while at the same time ensuring that accountability was not sacrificed.

#### (Mr. Awoonor, Ghana)

86. As the lead agency empowered to promote the development of developing countries through multilateral cooperation by implementing technical assistance programmes and human and technical capacity-building, UNDP must increasingly assume the intermediary role in the search for solutions to such nagging problems as debt, commodity prices, protectionism and transfer of technology which militated very seriously against any development efforts. Finally, if it was agreed that development was the one vital instrument for eradicating poverty and securing the peace, then it must be placed at the top of the agenda because global poverty was the most ravaging and at times relentless enemy of peace and security.

87. <u>Mr. O'BRIEN</u> (New Zealand) said that while the vision of the Charter still remained valid it was obviously desirable, in changing circumstances, to refocus the energies of the organizations of the United Nations system.

88. As the prospects for direct participation in UNDP management by smaller States, such as his own, might be diminished as a consequence of restructuring, it would be very important, once the restructuring was completed, for the system to demonstrate by elections, made to UNDP and other bodies, that the principle of pluralism had not been discarded.

89. UNDP should continue to be guided by the principles of participation, equity and transparency and accountability. The central purpose of development was to widen the range of people's choices. While each country had its own particular agenda, the basic principle was the same: to put people at the centre of development and to focus on their needs and potential.

90. Neutrality was also critical to the Programme's ongoing effectiveness. The role of UNDP was to act as a facilitator for nations; it could not dictate international policies on sustainable development or human rights nor could it force agreement on programmes to support them. The need for strategic choices was driven by the conundrum of greater needs and less resources. Therefore, it would be a folly to impose changes unless it was clear that they would lead to practical improvements.

91. Better-targeted UNDP intervention was the common thread of reform options put forward so far. His country's approach to those discussions would be underpinned by the conviction that UNDP reform should not be pursued at the expense of countries that continued to need United Nations development assistance. UNDP should concentrate on its role as a funding and policy organization, advising Governments on technical and development issues and assisting them in executing national development plans. Obviously, the Programme's strategy must reflect the changing nature of development.

92. His Government strongly supported efforts to ensure that UNDP took full account of Agenda 21 recommendations in setting its priorities. UNDP must reorient its country programmes to address capacity-building requirements. The broader challenge, framed at the United Nations Conference on Environment and Development, was merging environmental consideration into the mainstream of international policy and programme development.

93. <u>Mr. STADTHAGEN</u> (Observer for Nicaragua) said that the demand for international cooperation had increased considerably in recent years. While developing countries were squarely facing the task of undertaking costly political and social reforms in order to bring about more just and dignified societies and to establish more viable economies, they recognized that they needed more resources which had become increasingly competitive. The flexibility, versatility and neutrality of UNDP were particularly valuable in that connection. UNDP involvement was often decisive in the delicate balance between success and crisis and in practice was a bridge which supported those countries as they crossed over from fragile peace to consolidating development.

94. The Programme's mandate as coordinator of the system and its technical support for processes of policy formulation made it a suitable partner for helping to implement the recommendations of Agenda 21 through Capacity 21. The multisectoral mandate of UNDP equipped it admirably to carry out that task.

95. His delegation fully shared the evaluation of the Assistant Secretary-General for Policy Coordination and Sustainable Development that implementation of resolution 47/199 should be consistent with the provisions of resolution 44/211. It therefore welcomed efforts to put into effect the relevant provisions agreed upon at the forty-seventh session of the General Assembly. The management of cooperation for development should not be separated from primary problems such as external debt, development and transfer of technology and poverty alleviation.

96. In the efforts to restructure and reform the system and to seek new sources of funding, UNDP must be realistic and committed; it must not accept an increased demand for development assistance while its levels of resources stagnated or decreased. More demand for cooperation with fewer resources coupled with a reduction in the number of members of the Governing Council was not a workable formula.

97. His delegation was seriously concerned about the reduction of budgetary allocations which would have a serious effect on the formulation of policies and decisions of the Governing Council both in terms of their effects on programmes in the field and on the actual exercise of programming and governance. The Council must take rational and informed decisions on that matter.

98. Of particular concern was the applicability of a cut of 25 per cent in activities financed by the special resources of the programme, in particular programmes such as the special plan for cooperation with Central America.

99. He agreed with the delegation of Japan that the ultimate objective of development was the strengthening and expansion of national capacities in developing countries through sustainable human development. In that regard, the Council should consider the possibility of establishing a special facility to be used purely for strengthening national capacity by training human resources in priority areas. The strengthening of human resources was crucial to the economic growth and sustained development of all developing countries.

100. Nicaragua fully supported the efforts of UNDP to promote and strengthen emerging democracies. The absence of democratic institutions and a democratic

## (Mr. Stadthagen, Observer, Nicaragua)

attitude in developing countries warranted decisive efforts to help them participate effectively in the new world order.

The meeting rose at 1.15 p.m.